What is claimed:

1.   A method for evaluating a promotion scheme for a product, the method comprising the steps of:

5   creating a model of a market for the product;

collecting historical transaction data related to the product in the market;

analyzing the historical data and the model to determine a utility of the product without the promotion scheme; and

estimating the change in utility of the product from the promotion scheme.

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2.   The method of claim 1, wherein the utility of the product is determined through the sales volume of the product.

3.   The method of claim 2, wherein the analyzing step uses a multiplicative model.

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4.   The method of claim 1 wherein the historical transaction data includes transactions of a competitive good.

5.   The method of claim 4, wherein the utility of the product is determined through

20   the market share of the product in comparison to the competitive good.

6.   The method of claim 5, The method of claim 2, wherein the analyzing step uses an attraction model.

25   7.   The method of claim 1, further comprising the steps of:

identifying a driving factor in sales of the product;

determining a future change to the driving factor caused by the promotion scheme;

during the analyzing step, correlating the sales trends of the product and historical

30   changes in the driving factor; and

estimating a future change in sales of the product by associating the future change to the driving factor with similar historical changes driving factor.

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8.   The method of claim 7 where in the driving factor is a relative price for the product.

5   9.   The method of claim 7 where in the driving factor is attractiveness of the product.

10.   The method of claim 1 further comprising the steps of:

defining a business goal; and

using the estimated change in utility of the product to estimate the ability of the

10   promotion scheme to meet the business goal.

11.   The method of claim 10 wherein the business goal is the elimination of a current inventory of the product.

15   12.   The method of claim 1 further comprising the steps of:

updating the historical data to include data from new sales; and

adjusting the estimated change in utility of the product in view of the new sales

data.

20   13.   The method of claim 1 wherein the promotion scheme is a first promotional scheme, and further comprising the steps of:

forming a second promotion scheme;

estimating the change in utility of the product from the second promotion

scheme;

25   and comparing the changes in the utility of the product caused by the first and

second promotion schemes.

14.   The method of the claim further comprising the steps of

forecasting future demand for the product without the promotion scheme; and

30   using the forecasted future demand in estimating the change in utility of the

product from the promotion scheme.

15. A promotion evaluation scheme comprising:

a product segmentation module;

a incentive translation module;

a customer segregation module;

5   a data aggregation module;

a model selection module; and

an evaluation module.

16. The system of claim 15 wherein said model selection module selects between a

10   mulitplicative model and an attraction model.

17. The system of claim 15 further comprising a constraint generation module.

18. The system of claim 15 further comprising an optimization module.

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19. The system of claim 15 further comprising a market channel performance model.

20. The system of claim 15 further comprising an alert module.

20   21. The system of claim 15 further comprising a demand forecaster.

22. The system of claim 15 further comprising a market manager.

23. The system of claim 15, where in the system may be accessed over a distributed

25   network.

24. The system of claim 16 wherein said distributed network is the Internet.

25. A program storage device readable by a machine, tangibly embodying a program

30   of instructions executable by a machine to perform method steps creating a model of a

market for the product; collecting historical transaction data related to the product in the

market; analyzing the historical data and the model to determine a utility of the product

without the promotion scheme; and estimating a change in utility of the product from the promotion scheme, whereby the method step of estimating uses either a multiplicative or an attraction model.